

FISCAL NOTE

SB 116 - HB 246

February 14, 2003

SUMMARY OF BILL: Clarifies the status of teachers and employees of public charter schools for social security purposes. Makes it clear that all teachers and employees of a public charter school that converts from a public school and a newly created charter school shall have the same social security coverage under the same terms and conditions as those teachers and employees of the local board of education to which the charter school is associated. All teachers and employees of such a public charter school shall be considered employees of the local board of education and such board shall be responsible for all reporting and submission of funds for social security purposes.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Expenditures - Not Significant

Assumes:

- For employee benefit purposes, employees of a public charter school are considered employees of the local board of education.
- Employers are responsible for paying social security contributions of 7.65% of each employee's gross income
- All teachers and employees of a public charter school are considered employees of the local board of education for retirement purposes, and the board is responsible for all reporting and submission of funds to the appropriate retirement system. Therefore, it is assumed that any cost associated with the reporting and submission of social security funds by the local board would be not significant and could be absorbed within existing resources.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



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James A. Davenport, Executive Director